

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2613 – SB 2809

April 17, 2012

SUMMARY OF AMENDMENT (016346): Deletes all language after the enacting clause. Defines “dual credit program” and “Office of Postsecondary Coordination and Alignment” (OPCA). Requires the State Board of Education (SBE), Department of Education (DOE), Tennessee Higher Education Commission (THEC), the University of Tennessee’s Board of Trustees (UT), and the Tennessee Board of Regents (TBR) to compose a consortium for cooperative innovative education. Requires the consortium to develop and align secondary and postsecondary courses; develop and implement early postsecondary credit opportunities; and create marketing channels that will notify students of early postsecondary education opportunities. The Chancellor of TBR and the President of the UT system or their designees shall be co-chairs of the consortium. Authorizes the consortium to create an advisory committee to examine the best practices in cooperative innovative education. Requires the advisory committee to invite the Tennessee Chamber of Commerce and Industry, the Tennessee Business Roundtable, and the Tennessee Independent Colleges and Universities Association to participate. Authorizes the consortium to appoint committees and subcommittees to perform its tasks. Requires the SBE and DOE to develop, amend, or adopt policies and guidelines for dual credit or dual enrollment in the public high schools.

Requires the consortium to review existing dual credit pilot projects, determine their viability for statewide implementation, and implement those deemed to be applicable statewide by July 1, 2013. The consortium shall also develop and implement statewide postsecondary courses, with challenge exams, that reflect common learning outcomes. Requires the initial statewide early postsecondary credit opportunities to be piloted statewide in the 2013-2014 school year in high schools that choose to integrate such courses into their programs of study. In subsequent fiscal years, the additional early credit opportunities shall be developed as funds are available.

Requires the consortium, in cooperation with the OPCA, to develop a plan for statewide early postsecondary credit opportunities through dual enrollment and dual credit. Authorizes individual postsecondary institutions to develop dual credit or dual enrollment courses for individual high schools. Requires participating high schools and postsecondary institutions to notify students of their availability. Sets forth other requirements related to dual credit courses as it relates to challenge examinations, equivalent learning outcomes and faculty preparation, and responsibility for the convocation of postsecondary faculty in developing credit opportunities.

Requires the OPCA to make recommendations to the consortium on specific early postsecondary credit opportunities, provide such funds as are necessary to the consortium’s plan, develop a secure database to maintain assessment scores from challenge examinations, and notify parents and students and other stakeholders of early postsecondary course requirements and

transferability. Requires that any unexpended funds appropriated prior to the effective date of this act (July 1, 2012), to fund the consortium shall be transferred by the SBE to the OPCA.

Authorizes a public charter school to participate in the development of an innovative cooperative program. Authorizes community colleges to participate in remediation programs for high school students in need of remediation upon enrollment at an institution of higher education. If a student is successfully remediated by a community college and receives a certificate of successful participation, then the student shall not be required to take further remediation upon enrollment at the postsecondary institution. Such remediation programs and requirements shall also be developed and implemented for students at Tennessee Technology Centers (TTC).

Requires a program of early postsecondary credit to operate under the terms signed by the Executive Director of the of the SBE, the Commissioner of Education, the Chancellor of TBR, the President of the UT system, and the Executive Director of THEC. Authorizes the SBE or the postsecondary governing board to waive any law or rule that inhibits or hinders the participating institutions' and schools' ability to meet the goals of the cooperative innovative high school program. Prohibits the waiving of certain regulatory and statutory requirements.

Authorizes an education partner under Tenn. Code Ann. § 49-15-105(a) that is a public body to allocate state, local, and federal funds to a cooperative innovative high school program. If not an education partner under § 49-15-105(a), the county governing body in the county where the program is located may appropriate funds. Requires the consortium and its constituent members to report to the Education Committees of the General Assembly annually by February 15 on innovative cooperative programs and sets forth requirements for what shall be included in this report.

Requires the consortium to oversee the development of a statewide high school to postsecondary education articulation agreement that shall build on aligned, secondary college and career technical pathways to specific postsecondary programs of study and shall include early postsecondary credit. The TBR Chancellor and the President of UT or their designees shall be responsible for the convocation of postsecondary faculty to develop common learning outcomes, develop statewide challenge exams, conduct reliability and validation activities, establish cut scores, and report students' scores to the Division of Career and Technical Education in the DOE. Requires the OPCA to make students aware of the requirements to receive postsecondary credit for a dual course credit prior to students' enrollment. Encourages private postsecondary institutions to assess the statewide agreement and determine which courses, if any, qualify for award of college credit at the institution.

Authorizes members of the consortium to be reimbursed for meeting attendance.

If the consortium approves a dual credit class that is accepted by a TBR or UT institution, any high school in Tennessee may replicate the class. Requires dual credit to be granted at any public institution of higher education that offers a major or program for which the class is designed upon completion of the course and successful passage of the challenge examination with a score equal to or higher than the cut score. Authorizes any public institution of higher education to request that the consortium review a dual credit course and its challenge examination, if the

institution believes that the course or its exam has deficiencies. A public higher education institution may also challenge the right of the high school to continue to offer the dual credit course to the consortium if there is a perceived deficiency within the high school. The consortium shall review the dual credit course, assessment, or high school and provide remedies to any deficiency. Prohibits the consortium from approving a program that will adversely affect the accreditation of an institution.

When the consortium approves a dual credit class that is accepted by a four-year TBR or UT institution, then upon approval by the SBE, any high school in Tennessee may replicate the class and dual credit for completion of the class. Requires credit to be granted at any public four-year institution of higher education that offers a major or program for which the class is designed upon completion of the course and passage of the challenge exam with a score equal to or higher than the cut score. Implements like dual credit replication and completion provisions for community colleges and Tennessee Technology Centers. Prior to approval of a dual credit class, the consortium shall direct its UT and TBR representatives to consult with faculty members who teach at institutions in the major or program for which the class is designed for the purpose of determining whether approval of the dual credit course would have negative consequences on the accreditation of the institution. Sets forth other requirements for dual credit courses as it relates to challenge examinations, cut scores, assignment of a course number, recording completion of the class, and awarding of dual credit for a major or elective. Each higher education institution shall inform the consortium of its requirements for awarding of dual credit in a major, a specific program, or an elective. The OPCA shall provide information on class requirements, including examinations and cut scores, to the high schools. High schools will give students this information.

Authorizes any public higher education institution to request that the consortium review a dual credit or replicated class if the institution perceives the class to have deficiencies. The consortium shall review the class and work with the high school to remove deficiencies. The consortium is also authorized to request that the high school withdraw the class until deficiencies are corrected. Prohibits the consortium from approving an early postsecondary class that will adversely affect the accreditation of an institution or its programs. Requires the OPCA to encourage LEAs to offer early postsecondary credit classes. The effective date is July 1, 2012.

FISCAL IMPACT OF ORIGINAL BILL:

(CORRECTED)

Increase State Expenditures - \$300,000/One-Time/FY12-13 and FY13-14
\$150,000/Recurring/FY12-13 and Subsequent Fiscal
Years

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

**Increase State Expenditures - \$300,000/One-Time/FY12-13 and FY13-14
\$150,000/Recurring/FY12-13 and Subsequent
Fiscal Years**

Other Fiscal Impact – An amount of \$450,000 has been included in the proposed administration budget amendment with \$300,000 non-recurring in FY12-13 and \$150,000 recurring. Any unexpended funds appropriated prior to the effective date of this act to fund the consortium shall be transferred by the SBE to the OPCA. According to the SBE and DOE, \$185,000 will be transferred on a one-time basis. The SBE will not require additional appropriations to make up for this transfer in funds.

Assumptions applied to amendment:

- According to TBR, there are 20 different subject areas for which dual credit courses are taught statewide. The standards for courses are not uniform across the state.
- A total of five meetings per subject area will be held with 10 subject areas being completed in FY12-13 and 10 in FY13-14 to common course standards and new articulation agreements between institutions for each subject area.
- TBR estimates 20 individuals will attend each meeting and that the average travel cost per person will be \$300 in per diem, hotel, and meeting materials. Each meeting will cost approximately \$6,000 (20 x \$300). Each subject area will cost \$30,000 (\$6,000 x 5 meetings per subject area).
- The increase in one-time state expenditures for subject area meetings in FY12-13 will be \$300,000 (\$30,000 x 10 subject areas).
- The increase in one-time state expenditures for subject area meetings in FY13-14 will be \$300,000 (\$30,000 x 10 subject areas).
- To earn dual credit, a student must currently take an exam for credit, much like an AP course in high school. Currently, institutions are keeping this information locally but not necessarily electronically.
- According to TBR, the actions envisioned by the bill are taking place in other states such as Ohio and Georgia. In Ohio, the state uses a statewide electronic tracking and monitoring system for scores and courses.
- TBR and DOE will institute a similar statewide tracking and monitoring system in Tennessee in order for institutions to grant credit for dual coursework at other institutions. One additional staff person will be needed by DOE to help implement this system and be the program coordinator in subsequent fiscal years.
- The state of Ohio has estimated a cost for personnel and computer maintenance to be between \$100,000 and \$200,000 per year.
- DOE and TBR have estimated that the recurring increase in state expenditures for personnel and computer maintenance in Tennessee will be \$150,000 per year.

- Requiring acceptance of dual credit courses across public higher education institutions will not result in additional dual enrollment slots or students and will not result in a significant fiscal impact.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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